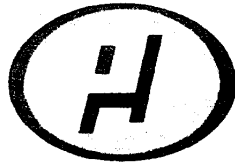


(201) 434-8373  
FAX (201) 434-8242



210485  
203 PORT JERSEY BOULEVARD • JERSEY CITY, NEW JERSEY 07305

## PORT JERSEY RAILROAD COMPANY

Statement of Bob Bailey President New Jersey Short Line Railroad Association

Conrail oversight hearing April 2 2004 Trenton N.J.

Having worked with and observing the Conrail operation for the past 5 years it is my opinion that the continuing dedication of the Conrail employees under the leadership of Ron Batory has made Conrail an extremely well operating railroad in both north jersey and south jersey. I here very few complaints of a continuing nature. Normal glitches like we all have. Through Conrail both shippers and Short lines enjoy dual competitive access with no paper barriers that I'm aware of. This is what we asked for.

The concerns I have are how N.S. and CSX handle marketing of the shared area working with the short line community , and the promise to take trucks off the highways. Combining the two thoughts I believe this is where they have stumbled in their commitment . Both companies have enjoyed success working with Short lines that have brought projects to them. I have not heard of any the other way that doesn't mean there have been none .By working with the short line or by using their own property to develop rail business that gets as close to destination as possible before changing modes, is what should occur . Example there is a company in Kearny N.J. that receives approximately twelve truck loads of material a week from the two class ones CSX brings the cars to their terminal in Elizabeth N.J. transloads then trucks the business the short distance to Kearny ,this is a good practice. N.S. stops the cars in Pennsylvania and transloads then trucks across the

(201) 434-8373  
FAX (201) 434-8242



203 PORT JERSEY BOULEVARD • JERSEY CITY, NEW JERSEY 07305

## PORT JERSEY RAILROAD COMPANY

entire state to the customer, not beneficial to the highway system. MY point being if one road can do this why not both This was their stated objective prior to start up .In fairness of statement CSX does some transloading out of the south Philadelphia area into south jersey.

As far as oversight goes I don't really understand what it does other than allow us to air our concerns which is a good thing. But going back to the value of the operating railroad called Conrail , I would like to restate that the short lines and shippers have received the added value of the good service. Having said this I must say there is still a perceived belief among some shippers and possibly some railroads that it cost more to do business in shared . I don't believe this to be true and would like to see it addressed. As for taking trucks off the high ways I would also like to see this addressed . Keeping in mind sometimes we the short lines can be part of the solution in this area.

BOB BAILEY  
Vice President & C.O.O.



PORT JERSEY RAILROAD CO.

203 Port Jersey Blvd.  
Jersey City, NJ 07305

(201) 434-8373  
(732) 264-7084

Fax (201) 434-8242  
Fax (732) 264-2557